

Department of Energy Washington, D.C. 20585

Revenued but not acted on pending confirmation of Mar.

ACTION MEMORANDUM

TO:

The Secretary

Acting Deputy Secretary

THRU:

Acting Under Secretary

Director of Administration

FROM:

Acting Assistant Secretary for Defense Programs

SUBJECT:

Reorganization - Defense Programs

## Issue

To organize Defense Programs in consonance with the Secretary's reorganization of DOE and to consolidate and streamline program management functions.

## Background

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The Assistant Secretary for Defense Programs (ASDP) is the principle advisor to the Secretary on national security matters and manages the nuclear weapon program and the weamon complex, and the programs of inertial confinement fusion, international security affairs, classification, safeguards and security, and nuclear materials production. In the past, the ASDP has managed the DP organization with one Deputy, six program office directors, and three staff office directors reporting directly to him.

Since the formation of DOE in October 1978, Defense Programs responsibilities have expanded significantly. The budget has grown from \$1.7B in FY 1979 to \$2.9B in FY 1981, with expected expansion in FY 1982 to greater than \$4.0B. Accompanying this substantial growth have been increased requirements for program management contacts at the ASDP/DASDP level in numerous areas external to DOE, reducing the time available for day-to-day management activities within DP. Increased Congressional testimony and briefings, discussions with the National Security Council, Office of Management and Budget, and the Department of Defense, particularly the Assistant to the Secretary of Defense (Atomic Energy), have necessarily diverted management attention from internal requirements. Further, most recently, the ASDP has been given the additional responsibility of defense nuclear waste management.

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## Discussion

As a consequence of the above and in order to give the ASDP time to fully focus on key policy issues, it is proposed that Defense Programs be reorganized to consolidate program management functions for related program areas and to further delegate program management responsibilities to three Deputy Assistant Secretarial positions, which have been established and approved in specific areas.

In summary, it is proposed that the following lines of responsibilities be established:

- a. The Deputy Assistant Secretary for Military Application (DAS/MA) will be responsible to the ASDP for directing programs of: research, development, testing, production, storage, and readiness assurance of nuclear weapons; transportation of strategic quantities of DOE special nuclear materials, including weapons in DOE custody; maintaining liaison between DOE and Department of Defense on nuclear weapons matters; and administering DOE activities under international agreements for cooperation involving nuclear defense. The DAS/MA will exercise executive direction over the Offices of Weapons Research, Development, and Testing; Weapons Production; and Safety, Environment and Emergency Actions.
- b. The Deputy Assistant Secretary for Nuclear Materials (DAS/NM) will be responsible to the ASDP for developing and directing DOE's programs for nuclear materials production required for national defense, DOE programs, other Federal agencies and industry; and overall DP Headquarters' coordination and management of activities related to major nuclear materials projects. The DAS/NM will exercise executive direction over the Office of Nuclear Materials Production and major nuclear material projects, such as Facility Restoration Program and environmental protection projects.
- The Deputy Assistant Secretary for Technology and Security Affairs (DAS/TSA) will be responsible to the ASDP for directing DOE's programs of: research, development, demonstration, and utilization of laser and heavy or light ion beam initiated inertial confinement fusion as related to national security and domestic energy problems; establishment and implementation of policy for the classification and declassification of Restricted Data, Formerly Restricted Data, and National Security Information within DOE's jurisdiction in accordance with the requirements of the Atomic Energy Act of 1954, as amended, and applicable Executive Orders; arms control and verification activities, defense intelligence, and political-military security affairs; and safeguards and security to provide accountability and physical protection of special nuclear materials including research and development for improvements, and test, evaluation and implementation of safeguards systems. The DAS/TSA will exercise executive direction over the Offices of Inertial Fusion, Classification, International Security Affairs, and Safeguards and Security Policy and Analysis.
- d. The Deputy Assistant Secretary for Nuclear Waste Management (Nuclear Energy) reports to the ASDP on all defense waste functions.

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With regard to staffing allocations, the proposed organization is consistent with the guidelines furnished. However, based on past operating experience, these numbers do not fully reflect adequate resources for anticipated needs for the balance of the current fiscal year or for later fiscal years. In this regard, and as concerns the proposed organization, it is requested that a degree of flexibility be allowed for future organizational modifications. We consider this an interim organization which will function effectively until the appointment of an Assistant Secretary for Defense Programs.

Attached are organization charts and mission and function statements supporting the proposed organization. Personnel listings showing the assignment of staff are being completed and will be submitted later.

## Recommendation

That the Secretary approve proceeding with implementation of the new DP organization.

Approve:

Disapprove:

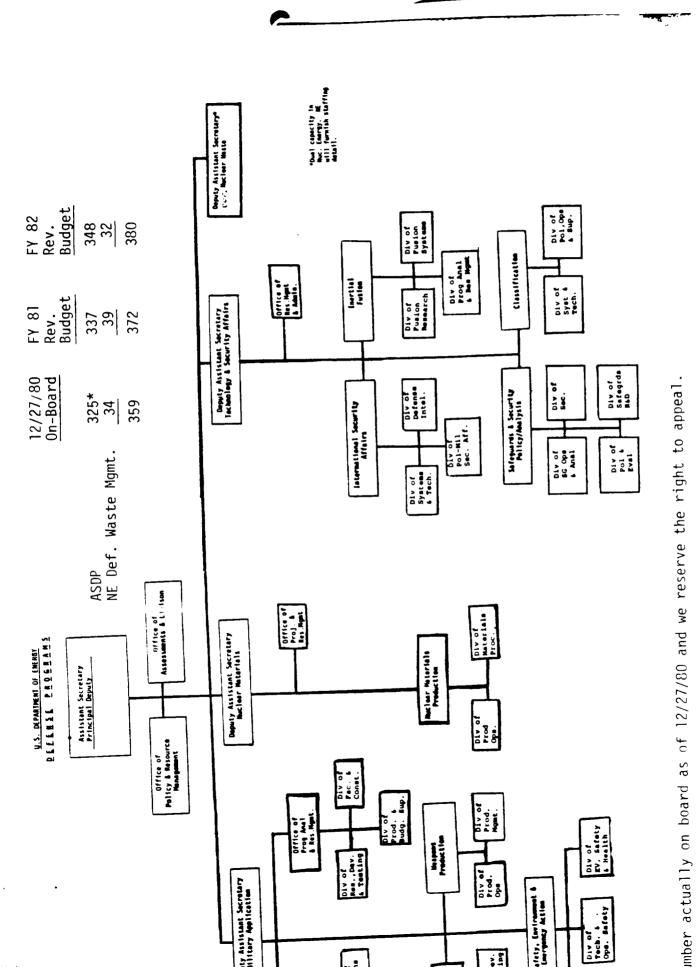
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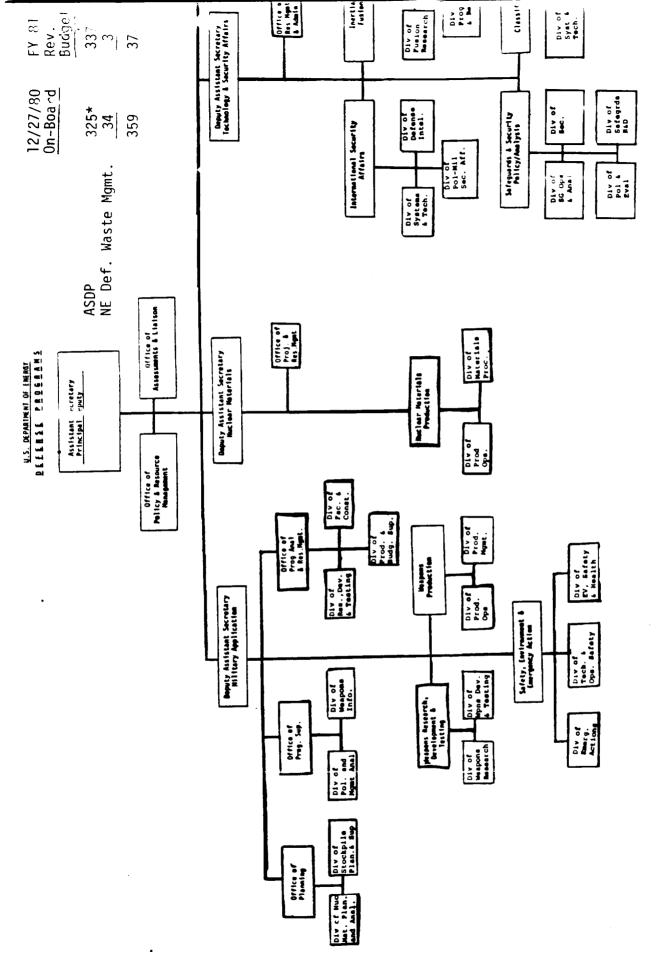
Robert L. Morgan

Prepared by: DP:MWhitley:mlm:252-2293:2-27-81

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\*This figure is two below the number actually on board as of 12/27/80 and we reserve the right to appeal.

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